

Commonwealth of Massachusetts
Department of Telecommunications and Energy
Fitchburg Gas and Electric Light Company
Docket No. D.T.E. 02-24/25
Record Request Response

Record Request No.: AG-RR-1

- a.) Under what accounts was the settlement as part of Princeton Paper bankruptcy proceeding booked to or recorded in and in what years.
- b.) Supply all journal entries related to the Princeton Paper bankruptcy proceeding settlement.
- c.) Provide all correspondence related to Princeton Paper bankruptcy from 1999 to present.

Response:

a.) & b.) The initial deposit held by Fitchburg Gas & Electric Light Company (FG&E), for Princeton Paper was \$893,495. The Princeton Paper Settlement Agreement approved in bankruptcy court allowed for the disposition of these funds as follows: \$681,332.79 was applied to any outstanding invoices related to services provided by FG&E, leaving a zero balance due from Princeton Paper. The balance of \$212,162.21 was used as an offset to legal expenses of \$170,154.25 and to Outside Services - Utilil Service Corp. of \$42,007.96.

The amount applied to outstanding invoices was processed through our internal customer billing system. Therefore, there is no journal entry to provide for this transaction.

The journal entry for application of the remaining funds is summarized as follows:

	<u>Debit</u>	<u>Credit</u>
MRA Customer Deposit In Advance of Constr.	\$212,162.21	
Outside Services - USC (Gas)		\$15,025.40
Outside Services - USC (Electric)		\$26,982.56
Legal Expense (Gas)		\$60,860.74
Legal Expense (Electric)		\$109,293.51

c.) Based on a discussion of the parties at the hearing on August 12, 2002, the documents related to the Princeton Paper bankruptcy, which number over 2000 pages, will be provided by index (Attachment AG-RR-1(c)) and made available for review. Attachment AG-RR-1(c) will be provided shortly as a supplement to this response.

Person Responsible: Mark H. Collin